

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

UNITED STATES OF AMERICA,  
Plaintiff,

v.

\$11,409.02 SEIZED FROM A  
COMERICA BANK ACCOUNT  
ENDING IN 2113,  
Defendant.

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CASE NO. 4:21-cv-1349

**UNITED STATES' MOTION FOR  
FINAL JUDGMENT OF FORFEITURE BY DEFAULT**

The United States moves for a default and a final judgment of forfeiture for \$11,409.02 that was seized from a bank account and that is proceeds of a fraudulent loan application that was submitted by wire.

**Nature and Stage of Proceeding**

On July 12, 2021, the Court ordered the Clerk of the Court to enter default. Dkt 11. The Clerk made entry of default on July 26, 2021, pursuant to Rule 55(a) of the Federal Rules of Civil Procedure. Minute Entry of 07/26/2021.

The United States now seeks a final judgment of forfeiture by default, pursuant to Rule 55(b). The fact necessary to resolution is that despite notice and publication, no party has filed a claim or an answer to the civil forfeiture complaint.

**Statement of the Issue**

The issue before the Court is whether the United States is entitled to a default judgment of forfeiture for the \$11,409.02 in seized funds, pursuant to Rule 55(b) of the

Federal Rules of Civil Procedure. Appellate courts review the entry of a default judgment for abuse of discretion. *Wooten v. McDonald Transit Assocs., Inc.*, 788 F.3d 490, 495 (5th Cir. 2015).

### **Argument and Authorities**

The United States sent notice to the potential claimant account holder and published notice. No party filed a claim, and the Clerk has entered default. The United States seeks a default judgment forfeiting the \$11,409.02 defendant property, pursuant to Rule 55(b) of the Federal Rules of Civil Procedure.

#### **A. The Complaint Set Forth a Sufficient Factual Basis**

The Complaint filed in this case sets forth “sufficiently detailed facts to support a reasonable belief that the government will be able to meet its burden of proof at trial.” Rule G(2)(f) of the Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture Actions. Specifically, the Complaint alleged that on or about May 31, 2020, a Paycheck Protection Program (“PPP”) loan application was submitted to Community Federal Savings Bank by wire on behalf of Uddin Investments LLC. The application contained materially false representations and fraudulent supporting documents.

Uddin Investments’ PPP loan was approved in reliance on the material misrepresentations, and on or about June 5, 2020, loan funds of \$491,664 were wired into Uddin Investment’s Comerica Bank Account 2113. The defendant property of \$11,409.02 was seized from Account 2113 by warrant.

The United States contends that the seized sum of \$11,409.02 constitutes proceeds traceable to specified unlawful activity, namely a fraudulent loan application in violation of 18 U.S.C. § 1014 and wire fraud in violation of 18 U.S.C. § 1343. The seized funds are thus subject to forfeiture under 18 U.S.C. §§ 981(a)(1)(C) and 984.

**B. A Final Judgment of Forfeiture is Appropriate**

Entry of default must precede entry of a default judgment. *New York Life Ins. Co. v. Brown*, 84 F.3d 137, 141 (5th Cir 1996). The Clerk entered default on July 26, 2021, pursuant to FED.R.CIV.P. 55(a).

The requested relief is appropriate, given the evidence presented by the Government, the sufficiency of the proceedings, and the failure of any party to assert otherwise. See *United States v. \$44,860.00 in U.S. Currency*, No. 3:08-CV-1870, 2010 WL 157538, at \*3 (N.D. Tex. Jan. 14, 2010).

In this case, the United States sent notice to the potential claimant account holder and published notice. No party filed a claim, and the Clerk has entered default. The United States seeks a final judgment of forfeiture.

**Conclusion**

Pursuant to Rule 55(b) of the Federal Rules of Civil Procedure, the United States moves for a default and a final judgment of forfeiture of the \$11,409.02 defendant property. A proposed order is attached for the Court's consideration.

Respectfully submitted,

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Acting United States Attorney

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### **CERTIFICATE OF WORD COUNT**

I certify this motion complies with the word count limitation contains of the Court's Procedures because it contains 611 words, excluding the parts of the motion exempted.

s/ Kristine E. Rollinson  
Kristine E. Rollinson  
Assistant U.S. Attorney

### **CERTIFICATE OF SERVICE**

A true and correct copy of this document was filed of record via electronic court filing on August 31, 2021, although there are no parties to this suit to be served.

s/ Kristine E. Rollinson  
Kristine E. Rollinson  
Assistant U.S. Attorney